



# Waiver Wise

## Technical Assistance for the Community Options Program Waiver COP-W

Wisconsin Department of Health & Family Services • Division of Supportive Living  
Bureau of Aging & Long Term Care Resources

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### Oldies but Goodies IV: Commonly Asked Questions – Specialized Medical Supplies

The following is the fourth installment in a series of technical assistance documents that will focus strictly on frequently asked questions. The information included in this document addresses *specialized medical supplies*.

#### ***Question 1 – Can the waiver program fund an instant breakfast drink purchased as a Specialized Medical Supply (SMS)?***

Yes. A nutritional supplement such as an instant breakfast drink (e.g., Carnation, Nestle, etc.) can be funded as a Specialized Medical Supply (SPC 112.55), if the following two requirements are met:

1. The care manager has obtained documentation from the participant's physician (M.D.) recommending the participant take the nutritional supplement. Documentation from the physician needs to address the direct medical or remedial benefit to the participant for taking the supplement. The documentation can be in any one of the following forms:
  - a. A prescription written by the M.D., or,
  - b. The care manager can case note a conversation with the M.D. whereby the physician has indicated the supplement is medically necessary, or,
  - c. The care manager can obtain a written statement from the physician (M.D.) indicating the medical necessity and his/her support for the participant taking the supplement.
2. The care manager has documented that the nutritional supplement cannot be funded by the participant's Medicaid coverage.

**Note:** According to Registered Dietician, Jennifer Keeley, (BALTCR's Nutrition Coordinator) ingesting an instant breakfast drink instead of the more common liquid supplements (Ensure, Boost, etc.), has both advantages and disadvantages. The advantages of consuming instant breakfast drinks include:

- ◆ They are less expensive
- ◆ They tend to taste better

- ◆ They have a wider variety of flavors
- ◆ They are available in either liquid or dry form.

For a participant needing to restrict his/her intake of lactose products, a disadvantage to using an instant breakfast drink, is that most breakfast drinks have high lactose levels when compared to liquid nutritional supplements like Ensure or Boost. Products like Ensure or Boost can be purchased with no milk protein or higher protein levels depending on the medical needs of the consumer. According to Ms. Keeley “both the instant breakfast drinks and the more traditional liquid supplements have essentially the same nutritional value.”

***Question 2 – Can food ever be considered a specialized medical supply?***

***Example: A participant, who is overweight and under the supervision of a MD, is required to eat only lean meat, fruits and vegetables. The food bill is over \$400 a month.***

No. The cost to purchase foods for special diets, e.g., high fiber products, fruit juices, fresh fruits and vegetables, and low sodium/fat microwave meals is not waiver allowable. However, this cost could be used as an allowable medical/remedial expense. Please note, only the added expense of purchasing special foods is allowable as a medical/remedial expense, not what is normally part of the grocery bill.

***Question 3 – Can waiver program dollars be used to fund an over-the-counter shoe insert a participant uses for a foot ailment?***

Yes. The waiver program can fund an over-the-counter shoe insert used to treat a foot ailment. The shoe insert is billable under SPC 112.55 – specialized medical supplies.

These types of shoe inserts are not typically fitted by a physician. However, they should be recommended by a physician to aid the participant’s ability to ambulate or to reduce discomfort when ambulating. Commonly used shoe inserts may help treat a participant with flat feet, high foot arches, bunions, calluses, or hammertoe.

***Question 4 – Can waiver program dollars fund the cost of an orthopedic device that assists a participant with ambulation?***

Yes. In the event that Medicaid funding for an orthopedic device is not available, the waiver program can fund the cost of an orthopedic device needed to assist a participant with ambulation. This service is billable under SPC 112.55 – specialized medical supplies.

The orthopedic device must be used to support, align, prevent or help correct for a deformity. The orthopedic device is needed to improve the function of a participant’s legs or feet to improve the participant’s ability to ambulate. The cost of the aid, along with any cost to fit the participant, is billable as a specialized medical supply. The prescribing and fitting of the orthopedic device is likely to be done by a physician specializing in podiatry for orthopedics.

It is the care manager’s responsibility to document that Medicaid funding is not available to cover the cost of the orthopedic device. Please note, according to the Wisconsin Medicaid Program Durable Medical Equipment Index, Medicaid funding is available for

some types of orthopedic devices (referred to as orthotic devices) when provided by a Medicaid certified provider.

***Question 5 – Are window air conditioners, when obtained to meet a medical need, considered a home modification or specialized medical supply?***

Window air conditioners are considered Specialized Medical Supplies – SPC 112.55. Counties do not need formal approval for this item. It is important to note that care managers should still have documentation within their files that the air conditioner is meeting a medical need as stated by the participant's physician and this item is not able to be funded by Medicaid. In addition, paying an individual to install or remove the air conditioner each spring and fall is also waiver allowable under SPC 112.55 – Specialized Medical Supplies.

Accompanying supplies for a window air conditioner, such as covers, necessary brackets/supports, and repairs can also be billed under SPC 112.55 – Specialized Medical Supplies.

Please note, if the installation of the air conditioner requires a hole cut into the exterior of the home, this is considered a home modification and prior approval from TMG is required.

***Question 6 – Is it waiver allowable to upgrade an electrical outlet to accommodate a window air conditioner?***

Yes. Sometimes a window air conditioner has been approved for a participant, however, the wiring in the participant's home cannot accommodate the air conditioner. Fuses may blow or circuits may 'cut' out.

Waiver funds can be used to upgrade the specific outlet that the window air conditioner will use to accommodate the power source. It is important to understand waiver funds cannot be used to upgrade the wiring in the entire house.

This service can be billed to SPC 112.55 – Specialized Medical Supplies because fixing the wiring will allow the air conditioner (specialized medical supply) to function properly.

***Question 7 – Can waiver program funds be used to purchase and install an air exchange unit into a program participant's home?  
Is the purchase of a humidifier an allowable item under the waiver program?***

Yes, waiver program funds can be used to purchase and install an air exchange unit or a humidifier. Both would need to be billed under SPC Code 112.55 - Specialized Medical Supplies and documented by a physician to be medically necessary. The humidifier can be a floor model to humidify a whole house or a smaller size to humidify a room.

***Question 8 – Can waiver program dollars fund the cost to purchase and install a water softener for a participant who has a medical need to use soft water?***

Yes. The waiver program can fund the cost to purchase and install a water softener for a participant who has a medical need to use soft water. These costs would be billable as a specialized medical supply – SPC 112.55.

A participant with problems maintaining the integrity of his/her skin may be instructed by his/her physician to use soft water in which to bathe and launder their clothes. To document the medical necessity of having a water softener, the care manager should obtain a prescription from the participant's physician specifically addressing the participant's need to use soft water. It is the care manager's responsibility to document that Medicaid funding for the water softener is not available.

***Question 9 – Can the waiver program pay a pharmacist for the cost of setting-up a participant's Medicaid funded medications?***

No, this is a task that is fundable under Medicaid. Medicaid has a reimbursement rate for paying a pharmacist to dispense and repackage Medicaid funded medications. If billed, a pharmacy can receive Medicaid reimbursement, which are set dollar amounts, for filling each prescription, handling each pill, and for repackaging that medication, if needed. Medicaid funding is available for the cost of setting-up a participant's medications in blister packs, a punch card, a medication box (typically plastic with sections for various times of the day), or in an electronic dispenser (i.e., compu-med machine).

While it is not allowable to use waiver funds to pay a pharmacist to set up a participant's medication, a county can choose to use non-waiver funds for this purpose if a vendor refuses to bill Medicaid. However, if **COP** funds are being used to pay for a service that Medicaid will fund, this information will be referred to BALTCR.

***Question 10 – As a follow up question, when, if ever, can waiver funds be used to pay for the delivery of medications from a pharmacy?***

The answer depends on the situation. Below are the answers to some common situations:

Waiver funds **can** be used to pay a supportive home care worker to go to the pharmacy and pick up the medications on behalf of the participant. This is seen as routine errand running. This task can be billed under SPC 104.23 – Supportive Home Care – routine home care services/hours. Note: because this is a service that is allowable under the waiver program, it would not be allowable to count this payment as a medical/remedial expense for Group B or C participants. The only exception to this would be if the provider who performed this task did not wish to be employed by a supportive home care agency, or be paid by the waiver using a fiscal agent, and the participant had a private pay arrangement with the provider. Then this would be an allowable medical/remedial expense.

Waiver funds **cannot** be used to pay an employee of the pharmacy to deliver the medications to the participant's residence. However, if a county wished to use COP or

other non-waiver funds, that would be allowable. Note: For Group B or C participants, it is allowable for the participant to use their payment for this service as a medical/remedial expense.

Waiver funds **cannot** be used to pay a charge from the pharmacy for mailing medications to the participant's residence. However, if a county wished to use COP or other non-waiver funds, that would be allowable. Note: For Group B or C participants, it is allowable for the participant to use their payment for this service as a medical/remedial expense.

***Question 11 – Can the waiver program pay for a prescribed drug that has not been approved by the Food and Drug Administration (FDA)?***

No. There is a prohibition against using Medicaid funds to purchase a medication that has not been approved by the FDA for human trials. Because the waiver program is funded by Medicaid funds, this program cannot fund a drug that has not been approved by the FDA. This restriction also prohibits the funding of medications deemed experimental in the medical field. Medications referred to as “experimental” are often times those not approved by the FDA for use by humans, but may be used in other types of testing situations.

If the experimental medication regime is recommended and followed by a medical doctor, COP funds could be used or the program participant has the option of purchasing these types of medications privately. The cost of the medication could be counted as an allowable medical/remedial expense deduction when determining the program participant's cost share, spenddown obligation or responsibility for payment towards the substitute care facility's room/board costs.